

City of Detroit

CITY COUNCIL

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ANNE MARIE LANGAN
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TO: Phyllis Meadows, PhD., Director
Department of Health and Wellness Promotion

FROM: Irvin Corley, Jr., Fiscal Analysis Director **24.**

DATE: April 25, 2008

RE: 2008-2009 Budget Analysis

Attached is our budget analysis regarding your department's budget for the upcoming 2008-2009 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing. We would then appreciate a written response to the issues/questions at your earliest convenience subsequent to your budget hearing. Please forward a copy of your responses to the Councilmembers and the City Clerk's Office.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

IC:ss

Attachment

cc: Councilmembers
Council Divisions
Auditor General's Office
Norman White, Finance Director
Pamela Scales, Budget Director
Alia Moss, Budget Manager
Kerwin Wimberley, Mayor's Office

Department of Health and Wellness Promotion (25)

FY 2008-2009 Budget Analysis by the Fiscal Analysis Division

Summary

The Health and Wellness Department is a General Fund agency. However, 67% of the department's funding comes from state and federal funds.

The mission of the Health and Wellness Department is to provide and assure the delivery of health services, which promote health, well-being, prevention and control the spread of disease. The department operates the Herman Kiefer Health Complex that includes a primary care center, three other primary care centers throughout the city, the Animal Control Center, and is responsible for the Food Sanitation Program.

The recommended 2008-2009 budgeted operating appropriations total \$87.7 million, a \$0.6 million increase over the current fiscal year. The department's 2008-2009 net tax cost is \$15.5 million, an increase of \$1.42 million, over the current fiscal year's net tax cost.

The budget recommends a net decrease of 3 positions, 2 general fund and 1 grant funded for an agency total of 404 positions.

2007-2008 Surplus/Deficit

The Mayor anticipates the Health and Wellness Department will end up with a \$2.27 million surplus. This is made up of an appropriations surplus of \$3.02 million offset by a revenue deficit of \$.75 million. The surplus is due to vacant positions.

Overtime

The department's current year budget contains an overtime budget of \$72,000. As of March 31, 2008, \$97,000 was spent on overtime.

The recommended overtime budget for FY 2008-2009 is \$69,000.

Personnel and Turnover Savings

<u>Appropriation/Program</u>	<u>Budgeted</u>	<u>Filled</u>	<u>Mayor's</u>	<u>Over/(Under)</u>	<u>Mayor's</u>
	<u>Positions</u>	<u>Positions</u>	<u>Budget</u>	<u>Actual to</u>	<u>Recommended</u>
	<u>FY 2006-07</u>	<u>03/31/2007</u>	<u>FY 2007-08</u>	<u>06/07 Budget</u>	<u>Turnover</u>
Dept. of Health & Wellness Promotion (25):					
250010 Administration	13	11	15	(2)	\$ 169,972
250020 Duplication & Delivery	2	2	2	0	\$ -
250050 Vital Records	12	11	12	(1)	\$ -
250060 Biostatistics	13	11	14	(2)	\$ -
00068 Administration	40	35	43	(5)	\$ -

250340 Epidemiology	22	15	21	(7)	\$	-
250345 Immunization - General Fund	8	10	8	2	\$	-
250350 STD Control	8	6	8	(2)	\$	-
00070 Communicable Disease Control	38	31	37	(7)	\$	264,557
250470 Laboratory	30	26	30	(4)	\$	-
250480 Pharmacy	6	6	6	0	\$	-
						\$
00073 Technical Support Services	36	32	36	(4)		337,827
00074 Primary Family Care	4	4	4	0	\$	-
250180 Public Nursing-Adm.-Community	5	5	4	0	\$	-
250190 Community Nursing Svc.-Community	16	13	16	(3)	\$	-
250200 Infant Death Reduction-Community	12	10	12	(2)	\$	-
250210 Medicaid Screening-Community	10	6	10	(4)	\$	-
250270 School Vision & Hearing	3	2	3	(1)	\$	-
250700 Medical Social Work	5	4	4	(1)	\$	-
00077 Community Health Services	51	40	49	(11)	\$	182,267
00078 Substance Abuse	5	4	5	(1)	\$	-
00410 Nutrition Services	7	4	7	(3)	\$	154,226
10836 Lead Abatement	7	7	6	0	\$	75,611
10889 Grace Ross Center	7	5	7	(2)	\$	-
10890 Northeast Center	11	10	11	(1)	\$	-
10892 Herman Keifer Family Center	10	9	9	(1)	\$	-
10893 Animal Control Center	25	25	25	0	\$	-
10894 Community & Industrial Hygiene	12	11	12	(1)	\$	66,764
10895 Food Sanitation	24	21	24	(3)	\$	93,806
12290 WIC Supplemental Food 9/2008	65	60	0	(5)	\$	-
12293 Childhood Lead Prev-CDC 6/2008	4	0	0	(4)	\$	-
12294 Childhood Lead (MDCH) 9/2008	6	6	0	0	\$	-
12295 Adol Hlth-Alter Models 9/2008	0	0	0	0	\$	-
12301 Bio-Terrorism Emerg Prep 9/2008	3	0	0	(3)	\$	-
12302 Bio-Terrorism Laboratory 9/2008	1	0	0	(1)	\$	-
12305 CSHCS Outreach & Advocacy 9/2008	10	7	0	(3)	\$	-
12306 Family Planning 9/2008	6	6	0	0	\$	-
12307 Immunization Action Plan 9/2008	4	3	0	(1)	\$	-
12310 Local Maternal & Children BG 9/2008	11	6	0	(5)	\$	-
12313 Nurse/Partnership 9/2008	7	6	0	(1)	\$	-
12316 STD Control 9/2008	10	9	0	(1)	\$	-
12322 Healthy Start Initiative 7/2008	3	2	0	(1)	\$	-
12496 WIC Supplemental Food 9/2009	0	0	66	0	\$	-
12499 Childhood Lead Prev-CDC 6/2009	0	0	5	0	\$	-
12500 Childhood Lead (MDCH) 9/2009	0	0	5	0	\$	-
12507 Bio-Terrorism Emerg Prep 9/2009	0	2	1	2	\$	-
12508 Bio-Terrorism Laboratory 9/2009	0	0	1	0	\$	-
12511 CSHCS Outreach & Advocacy 9/2009	0	0	10	0	\$	-
12513 Family Planning 9/2009	0	0	6	0	\$	-
12514 Immunization Action Plan 9/2009	0	0	6	0	\$	-
12517 Local Maternal & Children BG 9/2009	0	0	9	0	\$	-
12520 Nurse/Partnership 9/2009	0	0	7	0	\$	-
12523 STD Control 9/2009	0	0	10	0	\$	-
12529 Healthy Start Initiative 7/2009	0	0	3	0	\$	-

25XXXX Leave of Absence	0	(9)	0	0	\$	-
25XXXX Worker's Comp.	0	(2)	0	0	\$	-
25XXXX Unmatched Positions	<u>0</u>	<u>5</u>	<u>0</u>	<u>0</u>	\$	-
TOTAL	<u>407</u>	<u>339</u>	<u>404</u>	<u>(68)</u>	\$	<u>1,345,030</u>

Significant Changes in Funding

- Salary accounts have increased by \$989,000 to cover general wage increases and benefits increase by \$211,000.
- The medical-organizations account shows a \$1.9 million increase and this \$49.94 million appropriation is used to contract with the medical programs (such as the substance abuse coordination agency, Medicaid substance abuse, etc.) administered by the community health services activities.
- Contractual services have a net increase of \$712,425.
- Operating supplies decrease by \$270,000.
- Operating services including utilities decrease by \$102,000.
- Miscellaneous expenses decrease by \$300,000.
- Capital expenditures through g.o. bond obligations decrease by \$3,500,000.

Department of Health & Wellness Promotion (25)

Budgeted Professional and Contractual Services by Activity	FY 2007-08 Budget	FY 2008-09 Recommended	Increase (Decrease)
Administration	\$ 110,814	\$ 140,000	\$ 29,186
Personal Health Services	1,148,157	1,299,157	151,000
Community Health Services	47,812,837	48,500,751	687,914
Environmental Health Services	822,776	708,232	(114,544)
Clinical Support Services	<u>470,521</u>	<u>429,390</u>	<u>(41,131)</u>
Total	<u>\$ 50,365,105</u>	<u>\$ 51,077,530</u>	<u>\$ 712,425</u>

Significant Revenue Changes

Grant revenues decrease by \$.8 million – federal grants increase by \$3.17 million and state grants decrease by \$1.03 million.

City fees and revenues have a net increase of \$80,000.

Issues and Questions

1. Currently how many federally qualified health centers are there in Detroit? Who runs them? Are there any more that are projected to open? In similarly-sized cities, what is the number of federally qualified health centers?
2. Are there any programs or projects that the department is involved with that are not accounted for in the city's financial system?
3. Why is the account Contractual Services – other decreasing by \$1.2 million and the account Medical Organizations increasing by \$1.9 million?
4. Which grants were reduced and why? What was the policy rationale to supplant those lost grant dollars with general fund dollars?
5. The actual clinic revenues for 2006-2007 total \$10.45 million and the current year is \$12.23 million and the recommendation for 2008-2009 is \$12.3 million. Are these revenues achievable?